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DEPARTMENT OF JUSTICE

PRESS CONFERENCE

With Attorney General Janet Reno and  
Assistant Attorney General Anne Bingaman  
Regarding the Microsoft Settlement

Saturday, July 16, 1994

(Transcribed from a provided audiotape.)

## P R O C E E D I N G S

ATTORNEY GENERAL RENO: Good afternoon.

The Justice Department has charged Microsoft, the world's largest software company, with using unfair marketing and contracting practices to choke off competition to preserve its monopoly position. Microsoft has agreed, yesterday, to settle the charges with a consent decree that will prohibit the company from continuing to engage in monopolistic practices in the future.

While the company fairly and lawfully climbed to the top of the industry ladder, it used unfair and illegal practices to maintain its dominant position, and kept honest competition from other U.S. companies.

The Justice Department has taken an action that is critical to the personal computer industry and the efforts to make it competitive. This settlement will save consumers money, enable them to have a choice when selecting PC operating systems, and it will stimulate innovation in this critical market.

Today's settlement is the result of close coordination between the Department of Justice and the Competition Enforcement Authorities of the European Commission, which, today, also has indicated an undertaking containing essentially the same terms.

This complaint and settlement marks the first

1 coordinated effort of the two enforcement bodies in  
2 initiating and settling an antitrust enforcement action.

3 I want to thank and to recognize Anne Bingaman and  
4 the fine staff of the Antitrust Division, who have worked  
5 through long hours of negotiations to resolve quickly this  
6 significant case, and achieve the best results for the  
7 consumers of America.

8 And now I would like to ask Anne --

9 MS. BINGAMAN: Thank you.

10 We are proud of the achievement that the  
11 settlement filed in Federal District Court in Washington,  
12 the District of Columbia, at 9:30 last night represents.  
13 It is a significant -- in fact, historic -- breakthrough for  
14 the software industry, for innovation, for the  
15 competitiveness of the American economy.

16 Let me describe for you briefly what the case we  
17 filed is about and what the settlement achieves, because  
18 they are significant.

19 Number one, the settlement will open the playing  
20 field; it will level the playing field for Microsoft's  
21 competitors in the operating system software market, to  
22 enter this important market, to bring down prices to  
23 consumers, to innovate, to produce better products.

24 Microsoft, for years, and has today, monopoly  
25 power in the software -- operating system software market.

1 As this chart shows, Microsoft has 79-plus percent of that  
2 market. Its competitors are other American companies who  
3 have been struggling for years to enter this market to  
4 provide better, cheaper products to American consumers, and  
5 Microsoft's contracting practices, which are challenged in  
6 this lawsuit and which are ended by the settlement we  
7 achieved, have prevented those competitors from entering the  
8 market. They have deprived consumers of choice. And they  
9 have stopped innovation -- slowed innovation in this  
10 important market.

11 Let me describe to you the four major things that  
12 Microsoft did and which this settlement ends.

13 Number one, the per-processor license, I'll  
14 describe in a moment.

15 Number two, contracts of extraordinarily long  
16 duration which blocks the market.

17 Number three, huge, 100 percent minimum  
18 commitments for years, which amounted to take-or-pay  
19 contracts, which blocked the market.

20 And, four, restrictive non-disclosure agreements  
21 for software writers which prevented them from writing for  
22 other software companies in some cases.

23 Let me turn first to the per-processor license,  
24 what that is and what this settlement does to stop it.

25 Number one, the settlement bans it outright. That

1 is first. What the per-processor license has done until  
2 last night at 9:30 was to lock up 60 percent of this market  
3 in the United States in per-processor contracts which  
4 Microsoft began using in 1988. Per-processor contracts are  
5 contracts which Microsoft imposed by virtue of its dominant  
6 monopoly position on computer manufacturers, such as Dell,  
7 Compaq, Gateway, you name it, the OEM's they are called in  
8 the business, the computer makers, who have to license from  
9 Microsoft because it has had this monopoly position and the  
10 products are demanded in the marketplace.

11 Nothing wrong with that, but rather than simply  
12 sell those products fair and square on the merits and on  
13 price, in 1988, Microsoft invented a form of contracting  
14 called the per-processor license, under which it required  
15 the computer manufacturers -- induced them with extremely  
16 low prices to pay for every processor they shipped of a  
17 certain type not just to Microsoft, but to the competitors.

18 So it worked this way: Under a per-processor  
19 license, which 60 percent of the industry has had until last  
20 night, Microsoft got paid for every processor shipped by a  
21 computer maker, whether or not that processor had a  
22 Microsoft operating system loaded on it.

23 Now, if you are a competitor of Microsoft and you  
24 wanted to sell your competing product to a consumer, you do  
25 that through these computer manufacturers. But they had to

1 pay Microsoft.

2 Now, if Microsoft -- take this hypothetical --  
3 operating system was \$15, and you came in with a better  
4 operating system or cheaper, it worked just as well,  
5 hypothetically \$10 -- these numbers are lower than average,  
6 but for ease -- under the per-processor license, the  
7 computer manufacturer pays Microsoft 15 and the competitor  
8 10 for a total of \$25 on what really is a \$10 item.

9 The result, computer manufacturer were reluctant  
10 -- extremely reluctant -- to buy from competitors. And that  
11 was the purpose and the effect of the per-processor license.  
12 It's obvious what it does. It drives prices up to  
13 consumers. It raises prices. It locks out competitors.  
14 And it slows innovation.

15 So, this settlement stops the per-processor  
16 license.

17 Two, Microsoft used contracts of three to five  
18 years in an industry that was rapidly turning over. These  
19 extraordinarily long contracts made it very difficult for  
20 competitors to get in. The settlement we achieved today  
21 reduces contract lengths to one year, with one, one-year  
22 extension on the same terms and conditions which the  
23 computer manufacturer, in its sole option, can elect.

24 So, we have gone to one-year contracts, banning  
25 of per-processor.

1           The third important feature of this settlement is  
2   abolishing minimum commitments. Microsoft's third way to  
3   lock up this market was to say to the computer makers who  
4   had to deal with it, We will give you a lower price if you  
5   estimate a large volume.

6           Nothing inherently wrong with that volume  
7   discounting. The problem is Microsoft quoted these low  
8   prices in conjunction with 100 percent minimum commitments  
9   -- i.e., you get that price only if you sign on the dotted  
10  line to pay us every cent regardless of whether you actually  
11  ship our product or not -- a take-or-pay contract. You pay  
12  no matter what.

13           Well, what does that mean?

14           Over a long-term contract, what that means is if  
15  the computer manufacturer's business has not gone quite as  
16  well as it thought, it is locked into Microsoft no matter  
17  what because it owes them this minimum commitment, even if  
18  it has not sold any machines. So, minimum commitments was  
19  a third way that Microsoft locked up this market, locked out  
20  competitors, and minimum commitments are abolished. They  
21  are zero in the settlement we achieved yesterday.

22           Finally, NDA's, non-disclosure agreements, were  
23  restrictive agreements which Microsoft, this winter, imposed  
24  in a manner that had never been done before in the software  
25  industry on certain applications writers. It would have --

1 the NDA's challenged in this lawsuit and which Microsoft in  
2 the consent decree agrees to stop would have prevented  
3 applications writers from discussing Microsoft's operating  
4 systems for as long as three years after public disclosure  
5 of the operating system.

6 The effect could take those application writers,  
7 the software writers, forever out of business, in effect,  
8 except for Microsoft. It is another way to, in effect, lock  
9 up the market -- this time by locking up the important  
10 software applications writers.

11 Microsoft itself has said these NDA's were a  
12 mistake. It has agreed in this consent decree to never  
13 engage in such practices while this consent decree is in  
14 effect. And that also is a significant achievement of this  
15 settlement.

16 The last thing the settlement does is prohibit the  
17 use of lump-sum contracts, which would have been another way  
18 that Microsoft could have locked up this market. They had  
19 not needed to use them in the past because they had these  
20 other methods, but looking forward, our concern was that  
21 they might. And so the settlement also bans lump-sum  
22 contracts.

23 This settlement is everything we could have hoped  
24 for in a fully litigated case and possibly more. It is an  
25 historic achievement. I tell you, the charts we have



1 prepared today were prepared for the lawsuit we planned to  
2 file yesterday. The lawsuit was not filed because of the  
3 settlement. We filed instead a complaint with a settlement.  
4 We are extremely proud of this result.

5 And the last point that the Attorney General  
6 noted, I think, deserves mention. This is the first time  
7 in history that the Competition Authorities of the European  
8 Commission and the Department of Justice have cooperated  
9 closely in investigating a major worldwide company, whose  
10 anti-competitive practices affected important markets both  
11 in Europe and the United States.

12 We took this under a letter -- the EC and I and  
13 the Department of Justice asked Microsoft last October to  
14 waive any confidentiality restrictions under our respective  
15 statutes so that we could work together and think about the  
16 case we were jointly -- not jointly to them -- but that we  
17 had each initiated. Microsoft agreed to that in writing.

18 We worked with the EC throughout the winter. We  
19 shared documents. We worked closely with them. We settled  
20 this together on terms that are substantially identical.  
21 We negotiated in Brussels the week of July 4th with  
22 Microsoft. We negotiated this week at the Department of  
23 Justice with EC officials here. And this also is a truly  
24 historic aspect of this settlement.

25 So, we are extremely proud of this. We are

1 gratified that it concluded with a consent decree which  
2 achieves the really 100 percent results that any lawsuit  
3 could have achieved, and possibly more. And I want to  
4 especially note that this was the ultimate team effort. We  
5 had a group of lawyers, led by Sam Miller, who is here  
6 today, and Don Russell, who is on his way back from Brussels  
7 -- he has been in Brussels all week coordinating this hour  
8 by hour with the EC over there -- we have had extraordinary  
9 people on this case. We had a team of lawyers I would put  
10 against anybody, and I would feel for the other side.

11 And I want to simply state the names on the  
12 complaint we filed last night, because I am so proud to have  
13 been part of this group. The complaint was signed by Sam  
14 Miller, Don Russell, Joyce Bartu, Bob Zastrow, Dick Irvin,  
15 Peter Gray, Justin Dempsey, Gil O'Hana, and Larry Frankel.  
16 And there were more, and we had a paralegals. And this was  
17 an effort of a remarkable, extraordinary, incredible group  
18 of lawyers that I am so proud to have been part of. And I  
19 am proud of our partnership with the EC.

20 So, with that, what can I tell you about any  
21 questions you have?

22 QUESTION: What kind of room does this give  
23 Microsoft's competitors -- (inaudible) -- civil actions?

24 MS. BINGAMAN: That is up to the competitors. I  
25 do not actually believe this case changes the legal status

1 of any competitor's suit, because, by settling, Microsoft  
2 has admitted to no facts. It has consented to entry of the  
3 decree that was filed with our complaint. But facts are not  
4 established of record by a settlement, the way they are by  
5 a litigated case to conclusion, with a jury trial.

6 So, my own horseback impression is that the  
7 action, as such, does not change the legal status. But, as  
8 far as private suits by competitors, it has enormous impact  
9 for competitors in opening the market. This is exactly what  
10 has been needed for years and years in the software  
11 industry. And I think, in the market-opening respects and  
12 for innovation, prices to consumers, it will have tremendous  
13 impact.

14 QUESTION: Why has this taken so long, and why is  
15 there no monetary penalty? And I notice it says that -- you  
16 say in the press release that it bans these practices in the  
17 future, but then says it only lasts six-and-a-half years.

18 MS. BINGAMAN: Okay. You have got several  
19 questions there. Number one, we have had this case for a  
20 little less than one year. The FTC had it for, I think,  
21 two-and-a-half or three years before that. As everyone  
22 knows, or a lot of people, the FTC deadlocked two to two.  
23 We took the case acting as a fifth commissioner. We have  
24 looked carefully at this case because it is an important  
25 case, and we wanted to understand it fully ourselves.

1           So, I have no concerns whatsoever about a one-year  
2   action by the Justice Department that ends these practices.

3           There are no monetary penalties because they are  
4   not provided by any law and never have been. When the  
5   Justice Department settles a civil case, the Antitrust  
6   Division -- the antitrust laws do not provide for civil  
7   penalties, period.

8           We obtain adjunctive reliefs to open the market.  
9   Under the American legal system, private actions obtain any  
10   monetary damages, and that is just the way it is in all of  
11   our cases. They are no different.

12          You had a third aspect.

13          QUESTION: The length of time, you say --

14          MS. BINGAMAN: Oh, the six-and-a-half years. Our  
15   decrees normally last 10 years. We negotiated long and hard  
16   with Microsoft over the length of the decree. The EC's  
17   decrees last four-and-a-half years. We obtained immediate  
18   effect of this decree. That was a crucial aspect of the  
19   decree. And we believe we added, in effect, three to  
20   three-and-a-half years on the front end of the decree  
21   because the contract duration stops right now. The  
22   per-processor stops as of last night.

23          The illegal practices that had locked up the  
24   market are ended. And they do not have to wait for  
25   contracts now in effect to run out. And it was our belief

1     that based on all of those facts, plus the EC's practice of  
2     four-and-a-half year decrees, that this was a fair balance  
3     under the circumstances.

4             Let me mention something. I neglected to thank  
5     -- and it was a major oversight on my part and I want to  
6     correct it -- Henry Kawati is sitting here, who worked long  
7     and hard on this case, he is an economist with our Economic  
8     Section; Rich Gilbert, who is head of that section, was in  
9     Brussels with me; and Mark Schecter, who killed himself on  
10    the case, along with Bob Lighten, but I want to thank Henry  
11    Kawati and Ken Hire and Rich Gilbert, because the economics  
12    aspect of this case, as you can imagine, was critical. We  
13    had outstanding outside economists who Henry worked with  
14    tirelessly for many, many months. And he was a critical  
15    part of it, as was Rich Gilbert and Ken. So, I wanted to  
16    say that.

17            QUESTION: Can you estimate how much these  
18    practices may have cost consumers over the years?

19            MS. BINGAMAN: We have not. Because we do not  
20    bring damage actions, we do not put efforts into trying to  
21    figure out monetary total impact. But I can, to illustrate,  
22    tell you this. If you were a consumer and wanted to buy a  
23    competing operating system, and despite Microsoft's  
24    practices, there have been, in fact, four major competitors  
25    in this market to Microsoft, who have clawed and grabbed and

1 have managed to obtain some market share, if you bought one  
2 of those competing companies, and 20 percent of the American  
3 public does, and you were under a per-processor license, and  
4 many of these licenses, as we saw, are per-processor, you  
5 paid not just Microsoft anywhere from \$15 to \$50 for its  
6 operating system, you paid the competing price on top of  
7 that.

8 And so Microsoft, in effect, taxed every consumer  
9 who bought a competing operating system and bought it from  
10 a maker who had one of these per-processor contracts, or a  
11 similar one. And so it's not insignificant. We have not,  
12 as I said, made any effort to quantify it, but it is --  
13 there are millions and tens of millions of PC's shipped  
14 every year, and it is a major amount of money.

15 We can try to come up with some numbers after the  
16 press conference. But with all the other things we have  
17 done, that has not -- our focus has been opening the market,  
18 truly, and obtaining the relief we needed.

19 QUESTION: To follow that up, do you have any  
20 estimate of how many computers were shipped under these  
21 agreements that would have been effected?

22 MS. BINGAMAN: I can come up with numbers on that.  
23 We have not tried to. It is in the tens of millions. There  
24 are 120 million total computers with Microsoft operating  
25 systems on them. Many, many were shipped with this -- under

1 these kinds of practices. And it has been a major market  
2 problem for competitors, and has restricted choice for  
3 consumers.

4 Let me tell you why else this is so important to  
5 the American economy. We are about innovation and  
6 competition in this economy. That is what we are for. And  
7 Microsoft has its shot at the market. No problem. All we  
8 are saying is others should have their shot at the market,  
9 fair and square, a level playing field. That is the  
10 American way.

11 And they may have a better mousetrap. They may  
12 not. But what we are saying is people should get a chance  
13 to judge it fairly on quality and price and the other  
14 factors. And that is what this case is about. It levels  
15 the playing field, opens the door.

16 And if a competitor has a better product that can  
17 run computers faster, run them better, support better  
18 applications, build a base, cut into Microsoft's market  
19 share so that applications writers will write for it, that  
20 could have profound consequences for the American economy.  
21 What we are about is precisely that -- promoting  
22 competition, innovation, better products at cheaper prices,  
23 and letting the market take care of whatever happens.

24 We are not about driving the market; we are about  
25 letting the market operate freely.

1           QUESTION: Had this settlement not been reached,  
2 what broader or further action could Microsoft have been  
3 subjected to? And, a second question is, had there been any  
4 serious consideration about splitting Microsoft into two?

5           MS. BINGAMAN: I cannot discuss our internal  
6 considerations as such. I can tell you that we looked at  
7 every possible legal theory and at all the facts throughout  
8 the course of a long, tough winter, that the legal team I  
9 mentioned went through. And it was our conclusion at the  
10 end of that that the case to be filed was the case we did  
11 file. We did not bargain off any case in exchange for a  
12 settlement. This was the case that was there after  
13 thousands of hours of work. And it needed to be brought,  
14 and it was brought.

15           And that is really as much as I think  
16 confidentiality permits me to talk about specifics.

17           QUESTION: Potentially, had this gone into  
18 litigation, what could we have seen perhaps in terms of time  
19 and cost?

20           MS. BINGAMAN: Had this been litigated, we hoped  
21 to conclude it within a year. We planned to file it in a  
22 district in which the dockets are not crowded and we could  
23 have obtained a quick resolution, because the markets need  
24 to be open. This needed to get done. But it would have  
25 been a minimum of a year at the very best. It undoubtedly



1 would have been appealed. And the key point is, after all  
2 that, two to two-and-a-half years at best through appeal,  
3 we could not have achieved one thing more than we got in  
4 this settlement.

5 And, frankly, I am not sure we would have gotten  
6 as much. I do not know, because I do not know what a judge  
7 would have done. But this settlement is 100 percent of what  
8 we would have gotten with a lawsuit.

9 QUESTION: Can you tell us more about the EC  
10 cooperation, how and when was that initiated? And wasn't  
11 there a British investigation as well?

12 MS. BINGAMAN: No, there was no British  
13 investigation. It was the European Commission. It was a  
14 result, actually -- last September, I went to Europe for  
15 consultations, which are annual consultations with the EC  
16 that we have done for years, the Antitrust Division -- it's  
17 a mutual cooperative thing -- and Klaus Ailerman, the head  
18 of the Competition Directorate said to me, What are you  
19 doing about Microsoft, because we have a Microsoft case,  
20 too, you know, and I am very interested to talk to you about  
21 it?

22 And I looked at him and I said, Klaus, I do not  
23 think I can say a word to you about Microsoft. Everything  
24 I know is under confidential documents. I am forbidden from  
25 talking about it. I can't speak to you.

1           And he said, Well, what a great pity, because  
2 we've got, as far as I can tell from press reports, the same  
3 case.

4           And I said, Well, it is a great pity.

5           And I came back to the United States -- that was  
6 the end of September -- and 10 days or two weeks later, it  
7 just hit me out of the blue one day, we should ask Microsoft  
8 to waive confidentiality so that we could cooperate and  
9 decide whether in fact there is a case and coordinate  
10 remedies.

11           And the coordination of remedies is really crucial  
12 for a company in Microsoft's position, which operates  
13 worldwide, literally, in -- I do not know -- tens of  
14 countries in the world. They need, for their own business  
15 reasons, to have the same contracting practices. It would  
16 be terribly disruptive -- and I called the EC. We asked  
17 Microsoft. Microsoft, for its own reasons, said that would  
18 actually -- they didn't have a problem. They waived  
19 confidentiality. And that is how it began last October, and  
20 it has continued since then.

21           QUESTION: How is the Justice Department going to  
22 monitor the new agreements, the new contracts that Microsoft  
23 will sign with its OEM's? And what guarantees are there  
24 that Microsoft isn't going to turn around and say, you know,  
25 if we cannot do the kinds of volume deals that we have done

1 in the past, we are going to charge 5, 10, 15 percent for  
2 the operating system than we have in the past?

3 MS. BINGAMAN: If they charge more for their  
4 operating system, the competitors are there, without  
5 question, with comparable products. And the market should  
6 take care of that. That is the whole idea of this  
7 settlement. The market should take care of it.

8 We are allowed, in the monitoring provisions of  
9 this decree, which you should have, to request documents  
10 from Microsoft, to inspect their contracts, to talk to their  
11 people. We are further -- the decree specifically provides  
12 we can cooperate with the EC in this monitoring, so we will  
13 continue our cooperation and close work with them.

14 And we are watching. We are very much on the  
15 case.

16 QUESTION: A question about the per-processor  
17 issue. From your presentation it wasn't entirely clear to  
18 me, but it sounds as though Microsoft main pressure on  
19 computer companies was that they got -- they would offer  
20 huge, huge discounts to the companies that would accept a  
21 per-processor kind of agreement. That being the case, it  
22 seems to me that, on one level, the sin is that Microsoft  
23 is simply charging too little for the operating system.

24 And, to follow up on that, to follow up on that,  
25 it seems to me that the marketplace situation may not be a

1 whole lot different, because Microsoft can continue, it  
2 seems to me, to charge that same low, low price.

3 MS. BINGAMAN: Ed, you been talking to Microsoft?  
4 That is their line. They are not telling you right. If  
5 that was so easy, why did they have per-processor licenses?  
6 They are the only company in the industry that did. Why did  
7 they have three- to five-year contracts? They are the only  
8 company that in the industry that did. Why did they have  
9 100 percent minimum commitments? They are the only company  
10 in the industry that enforced that.

11 If this was so simple, why were they locking up  
12 the market with practices which every computer manufacturer  
13 despised and which the competitors despised and which  
14 Microsoft hung tough through four years of Government  
15 investigation to hang on to? Do you think that is because  
16 it did not matter to them? That is the story they are  
17 putting out.

18 You are darned right they are trying to spin it  
19 their way. That is not right. And let me tell you. Volume  
20 discounts, of course they can volume discount. No question.  
21 There is nothing wrong with volume discounting. It is done  
22 in all kinds of industries, in all kinds of situations. And  
23 the decree does not address volume discounts as such.

24 The problem with Microsoft's practices is that  
25 they were using volume discounts to lock up the market with

1 per-processor contracts and 100 percent minimum commitments,  
2 which then were like iron. You could not get out of. You  
3 could not escape.

4 To get those low prices, you had to sell your soul  
5 and never leave Microsoft. And that is what this decree  
6 changes.

7 Microsoft can compete on the basis of low price.  
8 We have no problem with that. That is good. We want that.  
9 What we do not want is competing on the basis of low price  
10 and then using that to impose contract terms which exclude  
11 every other competitor.

12 And, Ed, the reason they were able to do that is  
13 because of their monopoly position in this market. I mean,  
14 this is an important question you are asking, because they  
15 are going to try to claim that this decree changes nothing.  
16 That is wrong. That is a lie. And people need to  
17 understand that.

18 Because volume discounting, in and of itself, is  
19 not a problem. There are ways volume discounting can be  
20 abused. I have discussed those ways with Microsoft and Bill  
21 Gates. We are watching. We are watching closely what they  
22 do with volume discounts. They know it. I know it. And  
23 we are going to see what happens here.

24 But volume discounting, in and of itself, is not  
25 a problem. There can be problems in how you structure them,

1 whether you force -- it's a technical discussion. But, in  
2 any event, believe me, they did not hang tough on this for  
3 so long, right to the brink of a joint lawsuit by the U.S.  
4 and the EC yesterday because these practices were so  
5 harmless and meaningless and so forth. But I can see why  
6 they say it.

7 (Laughter.)

8 QUESTION: Is there going to be an immediate  
9 effect that we will notice for consumers?

10 MS. BINGAMAN: I hope consumers, within a short  
11 period of time, will have more choice of operating systems,  
12 genuine choice, more innovation in computers. Certainly,  
13 the prices will lower for consumers who already buy  
14 competing operating systems. Any of these companies in the  
15 market right now can now sell just for their price, not for  
16 this double tax that Microsoft has gotten.

17 So, I think prices will immediately lower, and I  
18 think, over the medium to long range, this will, I hope and  
19 believe, have profound market opening impacts. It will help  
20 innovation, help the competition give us better products.  
21 You may be using a different operating system three years  
22 from now because of this -- maybe. And if you are, great.  
23 If you still want whatever, great.

24 But the point is you should have a choice.  
25 Everyone should have a choice. And the companies that

1 compete with Microsoft should be able to offer you that  
2 choice fairly and evenly.

3 VOICE: Thank you.

4 QUESTION: Microsoft's competitors in applications  
5 have complained about the access that they have had to all  
6 kinds of information about the operating system code. Did  
7 the Justice Department not find that Microsoft had unfairly  
8 restricted applications developers to various aspects of the  
9 software?

10 MS. BINGAMAN: The nondisclosure agreement, the  
11 so-called NDA part of the case, focused on nondisclosure  
12 agreements required -- are you talking about something else?

13 QUESTION: I mean, certainly the NDA has been part  
14 of it, but other companies --

15 MS. BINGAMAN: The so-called interoperability?

16 QUESTION: Yes, yes, hidden calls and all of the  
17 charges that have been raised over the past few --

18 MS. BINGAMAN: I can tell you we have looked  
19 closely at all aspects of this case. We have examined it  
20 closely. And I think all that I can say, because of the  
21 strictures of confidentiality and the law, is that we have  
22 looked at it and this is the case we chose to bring because  
23 this is the case that is there and needed to be brought.  
24 And I think that is all I should say.

25 VOICE: Okay. Thank you.

1 VOICE: Thank you.

2 MS. BINGAMAN: Okay. Thank you.

3 VOICE: Thank you very much.

4 (End of proceedings.)

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